

October 6, 2014  
Bank of Japan

## **Signing of the Bilateral Swap Arrangement between Japan and the Philippines**

1. The Bank of Japan, acting as the agent for the Minister of Finance of Japan, and the Bangko Sentral ng Pilipinas signed the third Bilateral Swap Arrangement (BSA) on October 6, 2014. The arrangement is an expansion of the current BSA with the size of the facility where the amount that the Philippines can swap is doubled from 6 to 12 billion US dollars, while Japan can swap up to 500 million US dollars. Aside from the crisis resolution facility, this arrangement also introduces a new feature in the form of a crisis prevention scheme to address potential liquidity needs.
2. The authorities in Japan and the Philippines hope that the strengthened bilateral financial cooperation will contribute to the stability of the financial markets, and further develop growing economic and trade ties between the two countries.